STATE OF ALASKA DEPARTMENT OF NATURAL RESOURCES DIVISION OF MINING, LAND AND WATER SOUTHCENTRAL REGION

PRELIMINARY FINDING AND DECISION

FOR PROPOSED AQUATIC FARMSITE LEASE MODIFICATION LOCATED IN SOUTHERN TOKEEN BAY

APPLICANT: ERIC AND CINDY WYATT dba STARR FISHERIES
ADL 106991 – 2011 AMENDMENT

The Department of Natural Resources is accepting public comment on the following preliminary decision document for and amendment to increase the size of an existing aquatic farm site. Written comments must be received on or before 5:00 p.m., Thursday, September 15, 2011

PROPOSED ACTION: The applicants proposed to modify their existing lease under ADL 106991 by moving the main suspended culture operation to a near-by parcel, adding additional intertidal oyster culture and finishing areas, adding a work-float and relinquishing one suspended culture site. They are proposing 6 additional areas which will be labeled Parcels 12 through 17.

Existing Farm site parcels

Parcel #1:	250 ft. x 144 ft. suspended culture site totaling 0.82 acres (Relinquishing in 2011)
Parcel #2:	50 ft. x 100 ft. intertidal hardening area totaling 0.11 acres
Parcel #3:	50 ft. x 50 ft. intertidal nursery area totaling 0.05 acres (Relinquished in 2005)
Parcel #4:	360 ft. x 360 ft. oyster culture rafts (grow-out area) with a 28 ft. x 40 ft. work float / processer totaling 2.97 acres.
Parcel #5:	20 ft. x 200 ft. area for shellfish grow-out and hardening area totaling 0.09 acres.
Parcel #6:	20 ft. x 100 ft. area for shellfish grow-out and hardening area totaling 0.04 acres.
Parcel #7:	20 ft. x 100 ft. area for shellfish grow-out and hardening area totaling 0.04 acres.
Parcel #8:	20 ft. x 100 ft. area for shellfish grow-out and hardening area totaling 0.04 acres.
Parcel #9:	100 ft. x 20 ft. connected to a 190 ft. x 20 ft. area for shellfish grow-out equaling 0.13 acres.
Parcel #10:	100 ft. \times 20 ft. connected to a 96 ft. \times 20 ft. area for shellfish grow-out equaling 0.09 acres.
Parcel #11:	130 ft. x 35 ft. wide area plus an 85 ft. x 35 ft. area for shellfish grow-out equaling 0.16

*Total acres prior to new amendment equals: 4.54 acres – (keeping in Parcel #1)

Page 1 of 21

Proposed Amendment Parcels

Parcel #12: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel

#12 is proposed to be 91 ft. x 49 ft. totaling 0.10 acres.

Parcel #13: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel

#13 is proposed to be 279 ft x 10 ft, totaling 0.06 acres.

Parcel #14: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel

#14 is proposed to be 73 ft. x 10 ft. totaling 0.02 acres.

Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel #15:

Parcel#15 is proposed to be 170 ft. x 10 ft. totaling 0.04 acres.

Parcel #16: Oyster culture utilizing suspended culture, rafts and tray culture and bag culture plus a

processing facility. Parcel #16 is proposed to be 304 ft. x 91 ft. totaling 0.63 acres.

Parcel #17: Work float with processing facility measuring 16 ft. x 24 ft. sitting on a 90 ft. x 70 ft. log

float. Parcel #17 is proposed to be 176 ft. x 103 ft. totaling 0.42 acres.

Total acres in this amendment request: 1.27 acres

Total acres of Farmsite with proposed amendment request: 4.54 Minus Parcel #1 for 0.82 acres = 3.72 + 1.27 = 4.99 acres

The farm site is located in the southern portion of Tokeen Bay in the intertidal area off southwest Scott Island, northeast Marble Island, and northwest Orr Island, approximately 10-15 miles northwest of the community of Naukati, Alaska.

AUTHORITY: AS 38.05.035; AS 38.05.070; AS 38.05.083; AS 38.05.127; AS 38.05.128; 11 AAC 51; and 11 AAC 63

This decision addresses and is based on those issues under the authority of the Department of Natural Resources (DNR) under Title 38 of the Alaska Statutes and Title 11 of the Alaska Administrative Code. This decision's purpose is to decide on whether or not to approve the proposed lease amendment and does not make any determinations whatsoever regarding other agency authorizations necessary for aquatic farming activities.

ADMINISTRATIVE RECORD: The administrative record for the requested lease amendment submitted is file number ADL106991.

LOCATION:

USGS MAP COVERAGE: Craig D-5 and Petersburg A-5 Quadrangles.

NAUTICAL CHART: 107403

LEGAL DESCRIPTION: Sections 7, 8, 17, 18, Township 68 South, Range 78 East, Copper River Meridian.

LATITUDE / LONGITUDE:

Parcel #12:	91 ft. x 49 ft. = 0.10 acres			
	NE Corner	55° 58.504' N	133° 22.855' W	
	SE Corner	55° 58.489' N	133° 22.862' W	
	SW Corner	55° 58.492' N	133° 22.877' W	
	NW Corner	55° 58.506' N	133° 22.870' W	
Parcel #13:	279 ft. x 10 ft. = 0.06 acres			
	NE Corner	55° 58.442' N	133° 23.819' W	
	SE Corner	55° 58.397' N	133° 23.834' W	
	SW Corner	55° 58.398' N	133° 23.838' W	
	NW Corner	55° 58.443' N	133° 23.824' W	
Parcel #14:	<u>73 ft. x 10 ft. =</u>	0.02 acres		
	NE Corner	55° 58.169' N	133° 23.916' W	
	SE Corner	55° 58.158' N	133° 23.910' W	
	SW Corner	55° 58.158' N	133° 23.914' W	
	NW Corner	55° 58.169' N	133° 23.920' W	
Parcel #15:	<u>170 ft. x 10 ft.</u>	= 0.04 acres		
	NE Corner	55° 58.089' N	133° 24.004' W	
	SE Corner	55° 58.061' N	133° 24.008' W	
	SW Corner	55° 58.062' N	133° 24.013' W	
	NW Corner	55° 58.090' N	133° 24.008' W	
Parcel #16:	304 ft. x 91 ft. = 0.63 acres			
	NE Corner	55° 58.847' N	133° 24.081' W	
	SE Corner	55° 58.798' N	133° 24.096' W	
	SW Corner	55° 58.803' N	133° 24.122' W	
	NW Corner	55° 58.852' N	133° 24.106' W	
Parcel #17:	176 ft. x 103 ft. = 0.42 acres			
	NE Corner	55° 58.981' N	133° 24.336' W	
	SE Corner	55° 58.966' N	133° 24.324' W	
	SW Corner	55° 58.948' N	133° 24.364' W	
	NW Corner	55° 58.964' N	133° 24.377' W	

GEOGRAPHIC: The proposed farmsite amendment is located on state-owned tide and submerged lands at the southern end of Tokeen Bay off Scott Island, northeast Marble Island, and northwest Orr Island, near the community of Naukiti, Alaska.

POLITICAL INFORMATION:

BOROUGH / MUNICIPALITY: This amendment request is outside of an organized city or borough.

COASTAL DISTRICT: This application is outside of an approved coastal district under the Alaska Coastal Management Program.

REGIONAL CORPORATION, NATIVE VILLAGES AND TRIBES: Sealaska Corporation, Craig Community Association, Shaan Seet, Incorporated.

FISH AND GAME ADVISORY COMMITTEES: Craig, Edna Bay, and Klawock Fish and Game Advisory Committees.

TITLE:

ACQUISITION AUTHORITY: Submerged Lands Act of 1953. (P.L. 31, 83rd Congress, First Session; 67 Stat. 29); Equal Footing Doctrine; Section 1 of the Alaska Statehood Act.

PLANNING AND CLASSIFICATION:

LAND MANAGEMENT PLAN: Prince of Wales Area Plan, management Unit 7 – Sea Otter Sound, Subunit a – Marble/Orr, adopted in June 1985, revised in October 1998.

SURFACE CLASSIFICATION: Per Classification Order No. SE-89-003, the Prince of Wales Island Area Plan classifies state owned tidelands at the proposed location as public Recreation and Wildlife Habitat. These classifications allow for aquatic farming activities.

MINERAL ORDER(S): The proposed site is open to mineral entry.

ACCESS: Access to the proposed site is by boat or floatplane. A fifty-foot wide easement will be reserved to protect public access in accordance with 11 AAC 63.050(b)(6) and 11 AAC 51. Should an additional easement(s) be required for this proposed amendment, it will be identified and addressed under the final recommendation section of this document.

PUBLIC / AGENCY NOTICE AND COMMENTS: Public notice of the proposed amendment has been sent to various newspapers, post offices, agencies, boroughs/cities, native corporations/villages/tribes, the general mailing list maintained by DNR, Fish and Game Advisory committees, and valid third party interests, including nearby existing aquatic farm lessees. Public and agency comments regarding the proposed amendment are encouraged during the comment period – **August 17, 2011 until 5:00 p.m. on Thursday, September 15, 2011**.

The final best interest finding will consider and address all comments related to the proposed amendment that were submitted timely, either in writing or by oral testimony at a hearing. The final best interest finding will be available on or about October 10, 2011. Only those who provide written/oral comments during the comment period will be sent a copy of the final best interest finding and will be eligible to appeal. The final best interest finding will include an explanation of the appeal process.

Evaluation by the Alaska Department of Fish and Game

I. Physical and Biological Characteristics: Based on the information provided by the applicant on the site physical and biological characteristics, the proposed sites are near existing permitted Pacific oyster farm operations and appear capable of supporting the farm activities proposed. Details listed for the proposed areas are summarized below.

Protection from Oceanographic and Atmospheric Extremes: The physical exposure notes from Alaska ShoreZone imagery mapped data¹ shows the area as "protected" defined as a maximum effective fetch of < or = to 10 km. The proposed support facility structures, intertidal and suspended farm culture gear have a sound configuration and anchoring system and are comparable to existing farm gear used in Southeastern Alaska that can withstand ocean and atmospheric conditions. By moving the floating structures and gear to a more protected area, there will less risk of it breaking loose under incremental weather conditions.

Sufficient Environmental Conditions: Water exchange, water temperatures, currents, salinity, and primary production in the proposed area are sufficient to support the culture species. Successful use of intertidal flip-flop bag culture system on Parcel 12-16 and suspended grow-out raft and tray culture system on Parcel 16 has been observed in adjacent areas and is able to maintain a healthy environment for the culture species and other marine organisms.

Sufficient Water Depth: The permit holder wants to limit exposure to SW gales by moving his existing grow-out rafts on Parcel 4 to Parcel 16.

There is some concern that Parcel 16 is not deep enough for the intended suspended gear associated with the grow-out raft and tray system based on the NOAA Chart 17403, which shows the parcel at the three (3) fathom line (18 ft). The actual depth may be deeper on site. ADF&G will be going out to the site area in late August and will determine the actual depth range of the parcel. The permit holder can also provide depth information for where the gear will be located in this parcel. Depending on the tidal range, the parcel may need to be relocated to deeper water to be sufficient to prevent the culture gear from grounding and impacting the benthos under the floating structures. Shallower depths may increase sea star infestation and predation on grow-out raft and tray culture gear.

As a note to the applicant, under circumstances where water temperatures may reach 63 degrees, culture gear used in Parcel 16 would not be able to be lowered into deeper recommended depths of 60 ft where cooler temperatures are found. This is an accepted ADEC corrective action practice to eliminate or decrease the possible occurrence of pathogenic stage of *Vibrio parahaemoluyticus* is known to cause gastroenteritis in humans. As of yet, there have been no reports or any outbreaks in Southeast Alaska.

Eelgrass and Kelp Beds Maintained: Eelgrass and kelp habitats are among some of the most productive and biologically diverse. Among other things, eelgrass and kelp beds helps prevent erosion and maintain stability of near-shore environments and provide food, breeding areas, and protective nurseries for fish, shellfish, crustaceans, and many other animals. Operations must be done in a manner to minimize turbidity in the area and to prevent any trampling or shading that may impact the health and abundance of eelgrass

¹ NOAA (National Oceanic and Atmospheric Administration), Fisheries, National Marine Fisheries Service. Alaska ShoreZone: Coastal Mapping and Imagery. http://akr-mapping.fakr.noaa.gov/szflex/ (Accessed July 2011).

beds.

Imagery data for intertidal areas shows continuous bio-bands of eelgrass, *Zoster* sp., adjacent to Parcels 12, 13, and 14 and shows patchy bio-bands near Parcel 15. There is the potential that access to the parcels or gear used at the parcels, may result in trampling or shading continuous eelgrass beds that may significantly and adversely impact the health and abundance of eelgrass beds near these sites. Review of Shorezone aerial photos for Parcels 12 and 13 indicate that there is reasonable access through the eelgrass beds. No photos are available for Parcels 14 and 15. ADF&G surveyed the site parcels in August to get a better idea of the eelgrass density and identify if parcels had reasonable access to the site. Sites without reasonable access through the dense eelgrass or that have eelgrass on the site will not be considered for permitting under the Aquatic Farm regulations. For Parcels 14, no eelgrass beds were observed on the parcel and eelgrass beds were observed nearby that would be exposed at low tide. At this parcel, eelgrass beds were found at 8 ft deep at a 5 ft tide. For Parcels 15, no eelgrass existed on the site and low densities of eelgrass beds were observed nearby that would be exposed at low tide. There was reasonable access to the parcels through areas of low density or no eelgrass.

The following operation permit conditions will apply to this amendment to maintain the health and abundance of eelgrass beds and avoid significant adverse impacts to this important resource:

A six-foot buffer zone is required around established eelgrass beds (Zostera sp) to maintain the health and abundance of eelgrass beds in the area. You will not conduct operational activities or place culture gear within the buffer zone. If new data becomes available on eelgrass beds in the area, further measures to increase or decrease this buffer may be required. Entrance to and exit from intertidal Parcels 12-14 must occur where eelgrass is least dense or absent.

Anadromous Fish Streams: The proposed project site is not located within 300 feet of the mouth of an anadromous fish stream catalogued by ADF&G for various salmon species². The proposed farm gear structures will not significantly affect fish rearing habitats for salmonids and other marine fishes in the area and will allow adequate fish passage for salmonid adults (chum, coho, and pinks) that may be milling or migrating through the area.

II. Existing Uses not Significantly Altered: The proposed aquatic farm site will not significantly alter an established use defined in regulations as a commercial fishery, sport fishery, personal use fishery, or subsistence fishery.

Commercial Fisheries: The proposed aquatic farm is located in ADF&G Commercial Fisheries Division statistical area sub-district 103-90. The proposed aquatic farm site project is not expected to cause any significant alterations to the existing commercial fishery uses in the area. Details on each commercial fishery is listed below.

Geoducks: Harvest data shows commercial geoduck fishery landings took place in 2009, but not in 2008 and 2010 for this area.

Sea cucumber: The proposed areas are near the Sea Otter Sound commercial sea cucumber dive fishery harvest area. Harvest data shows commercial sea cucumber

²Johnson, J. and K. Klein. 2009. Catalog of waters important for spawning, rearing, or migration of anadromous fishes – Southcentral Region, Effective June 1, 2009. Alaska Department of Fish and Game, Special Publication No. 09-03, Anchorage.

fishery landings took place in 2008 and 2010, but not in 2009 for this area. However, the proposed new site represents a tiny fraction of sea cucumber habitat and fishery area.

Red Sea Urchins: No commercial red sea urchin dive fishery landings were reported for this statistical area.

Salmon: Harvest data shows landings for this statistical area during 2010 for commercial salmon fisheries using purse seining (Chinook, coho, sockeye, pink, and chum salmon), hand trolling (Chinook, sockeye, coho, and pink salmon), and power trolling (Chinook, coho, pink, and chum). No salmon set netting or gillnet salmon fisheries occurred for this area in 2010.

Herring: No commercial herring fishery landings took place for this area in 2010.

Shrimp: Spot shrimp fishery landings were reported in 2010 for this statistical area.

Dungeness crab: Harvest data from statistical area 103-90 shows commercial Dungeness landings in 2010. Aerial surveys of the Dungeness grounds in central and northern Southeast are conducted every June after the commercial fishery opens. Statistical area 103-90 is not part of the annual aerial survey so effort data can only be described for the statistical area itself, and not for any of the bays or inlets that are part of statistical area 103-90. The project footprint is small, the growing area is subtidal and suspended, and the bottom type is listed as bedrock in the application.

The proposed amendment in not expected to cause any significant alterations to the existing commercial fisheries resource use in this statistical area.

Sport Recreational Fishery: Since no permit system is in place for the personal use fishery, the amount of effort and harvest in the area would be difficult to gauge. The Statewide Harvest Survey does tally personal use harvest in Southeast but summarizes these data on a wider scale than district or statistical area. Due to their design, oyster farms have not seemed to have significant negative impact on anglers. It is likely that the project area is also used by personal use Dungeness fishers. The proposed aquatic farm site project is not expected to cause any significant alterations to the existing sport recreational fishery use.

Subsistence Use: Subsistence harvest of fish, shellfish, aquatic plants, and marine mammals by residents of Whale Pass, Craig and Klawock Community may occur in the area. Coffman Cove residents may harvest marine invertebrates in the area for subsistence according to Tongass Resource Use Cooperative Study (TRUCS) data. Naukati and Edna Bay residents have harvested marine invertebrates over the larger area of Sea Otter Sound, Davidson Inlet, El Capitan Passage and the nearshore waters of Prince of Wales Island and other major islands according to a 1997 household survey conducted by the Subsistence Division. Statistical area 103-90 lies within Section 3-C and there is no customary and traditional use of Dungeness crab in this section. The proposed amendment is not expected to cause any significant alterations to the existing subsistence use.

Anchorages: The area is not a critical vessel anchorage area.

III. Compatible with Fish and Wildlife Resources: The proposed aquatic farm site is compatible

with fish and wildlife resources in the area.

Predator and Pest Control Methods: Predator exclusion devices to be used at the proposed parcels are expected to be utilized in a manner that minimizes impacts on non-targeted fish and wildlife resources in the area.

Sensitive Wildlife: The proposed amendment is not expected to adversely affect seabird colonies, sea lion haulouts and rookeries, seal haulouts and pupping areas, and walrus haulouts.

Sea Bird Colonies: There are no sea bird colonies identified within 1 mile of the proposed sites.³

Eagle Nest: There are no eagle nests within 330 ft of the proposed project site parcels⁴

Sea Mammal Habitat: There are no sea mammal haul outs within 1 mile of the proposed sites⁵.

Endangered species: The proposed aquatic farm site will not adversely impact endangered and threatened species recovery and habitat efforts.

IV. Operation and Development Plan:

Increase Productivity: The operation and development plan for this project sufficiently describes how the operation will improve the productivity of the species intended for culture above what would occur in natural conditions using approved methods. Approved methods include predator exclusion, reduction of competing species, destiny manipulation, import of naturally-produced seed, import of hatchery produced seed, programming harvest to optimize growth and shellfish condition, and habitat improvements.

Maintenance: The operation and development plan for this amendment indicates that support facilities and culture gear and anchoring system will be installed with sufficient anchors and be maintained.

Rotation Schedule: The operation and development plan shows a projected rotation schedule that is consistent with the life history of the species intended for culture.

V. Species to be Cultured and Site Suitability

The department has not conducted a site suitability study for these new parcels. Based on information provided by the permit holder, the proposed parcels are capable of supporting the activities proposed. In addition, the proposed parcels in this aquatic farm operation project are located in an area that currently is suitable for Pacific oysters using intertidal flip-flop bags and suspended grow-out raft and tray systems.

³ U.S. Fish and Wildlife Service, (current year). Beringian Seabird Colony Catalog -- computer database. U.S. Fish and Wildlife Service, Migratory Bird Management, Anchorage, Alaska 99503.

⁴ U.S. Fish and Wildlife Service, Migratory Bird Management. Alaska Bald Eagle Nest Atlas-computer database. 2008.

⁵ Analysis completed by NOAA Fisheries Service, Alaska Region, Protected Resources Division. Specifically, the data used to complete this analysis were provided by researchers from NOAA Fisheries Service, Alaska Fisheries Science Center, and National Marine Mammal Laboratory.

VI. Request for Additional Information

The applicant needs to provide the following information:

The operation and development plan needs to be updated to include the installation schedule for equipment along with type and numbers and for the anchoring systems for the aquatic farm. The plan needs to include projected production for both existing and the proposed parcels.

ENVIRONMENTAL RISK ASSESSMENT: The applicant has submitted a signed environmental risk questionnaire. The questionnaire asks for information on potentially hazardous materials, such as plans for onsite storage of fuel or chemicals. The applicant has indicated that no on-site use, storage, transport, disposal, or otherwise, of any petroleum products will be used during the course of the proposed activities.

POTENTIAL CONFLICTS AND PENDING / EXISTING THIRD PARTY INTERESTS:

The uplands adjacent to the proposed amendment are within the Tongass National Forest, owned and managed by the U.S. Forest Service. The proposed amendment may not be compatible with the management intent for the adjacent uplands as described in the Forest Service's management plan. Please refer to the sections below entitled - Upland Owner/Management Intent and Considerations.

There are no other known pending and/or third party interests at the location of the proposed amendment.

PRINCE OF WALES ISLAND AREA PLAN INFORMATION SPECIFIC TO THIS PROPOSAL: This area is within Unit 7, Sea Otter Sound, Subunit 7a, Marble/Orr. The proposal lies within tidelands designated as dispersed recreation and general use. Land designated as dispersed recreation provides for uses which require no developed facilities and are not necessarily concentrated at a specific site, such as wildlife viewing or berry picking. Lands designated as general use are lands which may have a number of important resources but for which a specific resource allocation decision is not possible because of inadequate economic, resource or other information; or is presently inaccessible and remote and development is not likely to occur within the next 20 years; or contains one or more resource values, none of which is of sufficiently high value to merit designation a a primary use. A number of different types of uses, including forest harvest, may be appropriate in portions of areas designated General Use. All state lands without other designations are designated General use. Aquatic farming activities may be allowed within these classifications.

The plan indicates that commercial fishing and crabbing occur within the unit. Marble Passage, Tenass Pass, and Brockman Pass are used for recreational boating.

Although the management intent for this subunit is to manage for multiple uses, the tide and submerged lands are to be managed to protect the important recreation and fish and wildlife habitat and harvest values within this area; measures should be taken to mitigate adverse impacts to these values. Aquatic farming activities are allowed but should be located in a place and in a manner that will have minimum impacts on primary designated uses. Where feasible and prudent, the plan directs the placement of aquatic farms in open water or in larger bays rather than in small isolated coves.

In addition, aquatic farming should not preclude residential uses, including access, anchorage, or planned disposal of land. Aquatic farming support facilities may be located on state uplands at El

Capitan Island or Jinhi Bay. Aquatic farming will not be allowed in Marble Passage, Tenass Pass, Brockman Pass, Old Tokeen, the extreme north end of Tokeen Bay, the bay south of Tokeen Cove on Marble Island, and Cyrus Cove, because of conflicts with existing uses and values.

The proposed amendment sites lie in the extreme southern portion of Tokeen Bay, along the west side of Scott Island and the eastern side of Marble Island, outside of the prohibited areas described above. DNR believes the proposed amendment is consistent with the area plan's management goals and objectives for this area.

There are numerous cultural sites identified by the plan within this subunit. The specific locations of the cultural sites are not known at this time. DNR will consult with the Division of Parks and Outdoor Recreation, Office of History and Archaeology, with any recommendations included in the final best interest finding.

Upland Owner / Management Intent: The uplands adjacent to the proposed amendment are within the Thorne Bay Ranger District of the Tongass National Forest, owned and managed by the U.S. Forest Service. The Tongass National Forest Land and Resource Management Plan (TLRMP) designates the adjacent uplands to the proposed site located at Scott Island as "SM" - Semi-Remote Recreation. The management goals for this designation include to provide predominantly natural or natural-appearing settings for semi-primitive types of recreation and tourism and for occasional enclaves of concentrated recreation and tourism facilities; and to provide opportunities for a moderate degree of independence, closeness to nature, and self-reliance in environments requiring challenging motorized or non-motorized forms of transportation. The management objectives for this designation are to manage recreation and tourism use and activities to meet the levels of social encounters, on-site developments, methods of access, and visitor impacts indicated for the Semi-primitive Recreation Opportunity Spectrum classes; permit small-scale, rustic recreation and tourism facilities, and occasional enclaves of concentrated recreation and tourism facilities; apply the Partial retention Visual Quality Objective to any developments, facilities, or structures; and permitting fish enhancement and wildlife habitat improvement.

Additionally, there are a total of fifteen areas identified in the Prince of Wales Island Area Plan within the subunit that are to be managed for support facilities for timber harvest. One of the timber sites is identified as forestry site 7.06 and is located on the west side of Scott Island, north of the proposed amendment. DNR believes the forestry site would not be impacted by the placement of aquatic farming activities located to the south of site 7.06.

The proposed aquatic farming activities at this location are completely submerged with no onsite facilities proposed or necessary. DNR believes that intertidal and sub-tidal aquatic farming activities are consistent with the Forest Service's management objectives for this area due to the fact there is minimal presence at the site during planting, monitoring and harvesting activities. However, DNR will consult with the Forest Service and any comments they may provide will be addressed in the final decision.

TRADITIONAL USE FINDING: Information available at this time suggests that the proposed amendment would not disrupt traditional and/or existing uses of the area, such as commercial and sport fishing, subsistence activities, boat travel, and recreation. Through agency and public input, more traditional and existing use information may surface. If such information becomes available, any potential and/or existing conflicts will be addressed in the final best interest finding.

CONSIDERATIONS: The following criteria set out in 11 AAC 63.050(b), has been considered and represents what is known at this time:

Land Management: There are no known land management policies or designations other than those in the Tongass National Forest Land and Resources Management Plan, and the Prince of Wales Area Plan, which may impact this proposed amendment. Any measures taken to mitigate impacts on the resources identified in the above-mentioned plans are listed below.

Pending / Existing Uses:

- 1. There are no known pending use conflicts or potential impacts to nearby communities or residential land due to the proposed amendment at this location.
- 2. Information available at this time suggests that the proposed amendment at this location would not disrupt the traditional and existing uses of the site for use as an anchorage, commercial and sport fishing, recreation, and tourism.
- 3. Information from the Prince of Wales Island Area Plan indicates that there are cultural resources in the area. As stated above, the Division of Parks and Outdoor Recreation, Office of History and Archaeology, will be consulted, with any recommendations included in the final best interest finding.
- 4. There are no commercial or industrial facilities known to exist in the area.

Public Access: Public access will be protected in accordance with 11 AAC 63.050(b)(6) and 11 AAC 51.

Public Trust Doctrine: The Public Trust Doctrine provides that public trust lands, waters and living resources in a state are held by the state in trust for the benefit of all the people, and establishes the right of the public to fully utilize the public trust lands, waters, and resources for a wide variety of public uses. Each state has the authority and responsibility for managing these public trust assets to assure the public rights are upheld.

The Public Trust Doctrine applies whenever navigable waters or the lands beneath those waters are altered, developed, conveyed, or otherwise managed. It also applies whether the trust lands are publicly or privately owned. Public trust lands are generally those lands below navigable waters, with the upper boundary being the ordinary high water mark. Tidelands, shore lands of navigable lakes and rivers, as well as the land beneath oceans, lakes and rivers are usually considered public trust lands.

All lease agreements are subject to the principles of the Public Trust Doctrine in order to protect the public's right to use navigable waters and the land beneath them for navigation, commerce, fishing, and other purposes.

Mitigation Measures: Should any conflicts or potential impacts be identified during the public/agency comment period that can be mitigated by special stipulation(s), these special stipulation(s) will be included in the final best interest finding and any resultant lease agreement.

Social, Economic, and Environmental Concerns: There are no known significant social, economic, and environmental impacts from the proposed amendment.

Surface Area: The proposed amendment does not encumber more than a third of the surface area of a bay, bight, or cove in accordance with 11 AAC 63.050(c).

RECOMMENDATION: Considering the information presently available, it is determined to be in the state's best interest to amend the lease to add an additional 1.27 acres, eliminate Parcel #1 equaling 0.82 acres for a total of to 4.99 acres. Any resultant lease amendment will include any stipulations identified above, any which may be required as a result of public comments, and any modifications necessary for consistency with the ACMP. The annual lease fee will remain the same at \$950.00 (\$450 for the first acres plus \$125 for each additional acre or fraction thereof), reflecting the new lease acreage of 4.99. The existing security bond of \$2500 will not be increased.

John S. Thiede

Aquatic Farm Program Manager

Page 12 of 21

Uugust 15, 2011

AMENDMENT DESCRIPTION

We propose to improve our farming operation by moving the main suspended culture operation to a new but near by parcel, adding more intertidal oyster culture and finishing area, adding a large workfloat and relinquishing one suspended culture site that is of less useful value to us.

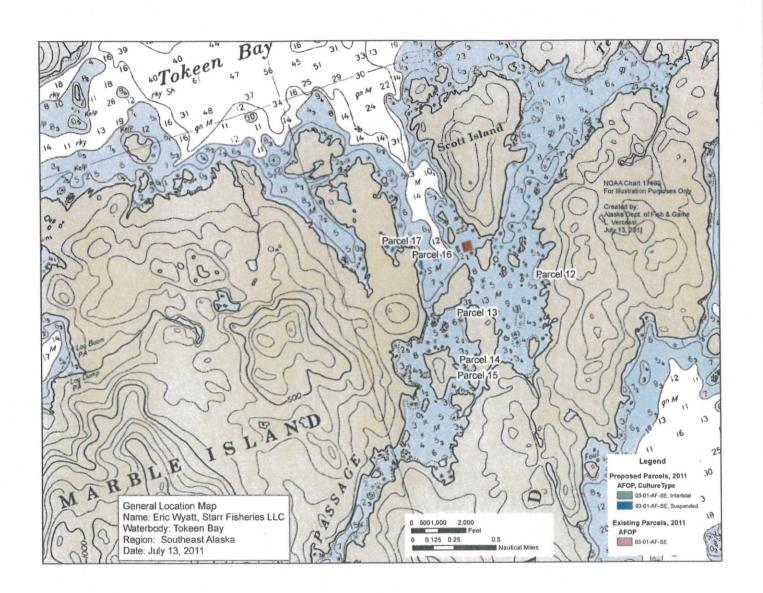
Application for parcel #16 is to allow for a more economical layout of grow out rafts and scow/processor with boom system. The anchoring configuration of the scow will be changed to allow for better movement of the rafts under the boom in continuous (choo-choo train style – if you will) fashion, which is not currently possible. The new parcel will also have less current flow, which has made movement of fully loaded rafts difficult at times. The new location should also have less exposure to SW gales. Although we have had only minor problems, there is still significant exposure to wind on the current parcel. (Is there any place without significant exposure to wind?) The rafts and scow will be deployed as previously allowed in attachment 9 of our operation permit. Note that we have found the there can be less distance between rafts, therefore allowing more within the same linear distance. Parcel #3 will be converted entirely to floating bag culture as depicted in attachment #50 (of current Operation Permit). With the addition of some floating bag culture to parcel #16.

Application for Parcels #13 - 15 are to add gravel intertidal areas within the 1-4 ft range. This gear will be Flip-Flop bag lines as depicted in attachment #49 (OP) and with vexar bags directly on the beach (and secured with longline) as previously permitted for parcel #2.

Application for parcel #17 is to add a 90ft by 70 ft log float with a small barn (16' x 24' – the same dimension as on our currently permitted "scow" - also of same wood framing with metal roofing material). As we've expanded, we have added more gear which needs to be assembled, stored, repaired, and cleaned somewhere. Ferrying of gear back and forth from our residence is not economical or really feasible any more. Part of the problem is finding that a significant number of oysters do not make it to market size in two years. Part of the solution involves finishing oysters in intertidal bags – if needed – and right now that is a lot. These bags must be stored when not in use. We also need additional storage space for trays. The speed with which we can work through a raft of trays is now limited by the number of "defouled" trays that are available. With some additional labor we could work through a raft of 360 trays in three days or less – if there were 360 defouled trays to swap out with. We can only hold about 180 trays alongside the building on the scow – currently.

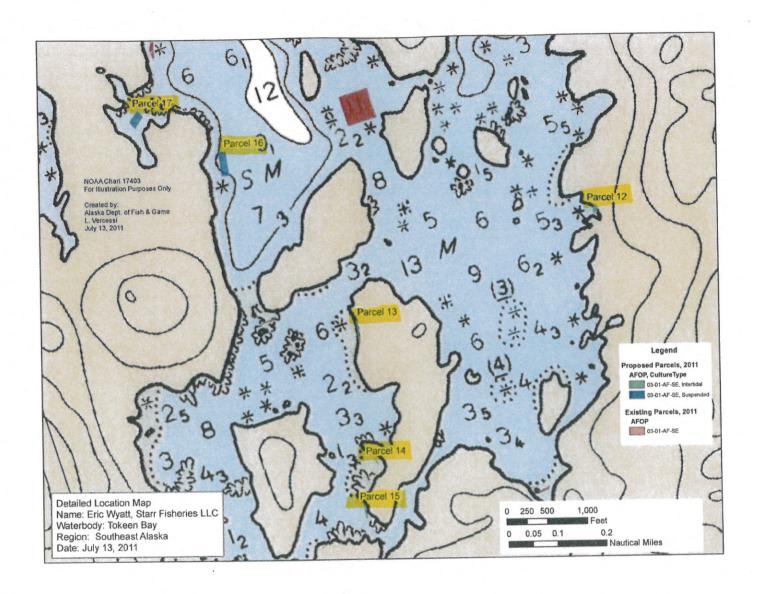
Site #1 will be relinquished.

Total acreage will be slightly under 5 acres – which is what we are currently paying for.



GENERAL VACINITY MAP

CINDY & ERIC WYATT – Starr Fisheries, LLC 2011 Amendment Request ADL 106991



CINDY & ERIC WYATT - Starr Fisheries, LLC

ADL 106991 2011 Amendment Request

Parcel #12: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel #12 is proposed to be 91 ft. x 49 ft. totaling 0.10 acres.

Parcel #13: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel #13 is proposed to be 279 ft x 10 ft. totaling 0.06 acres.

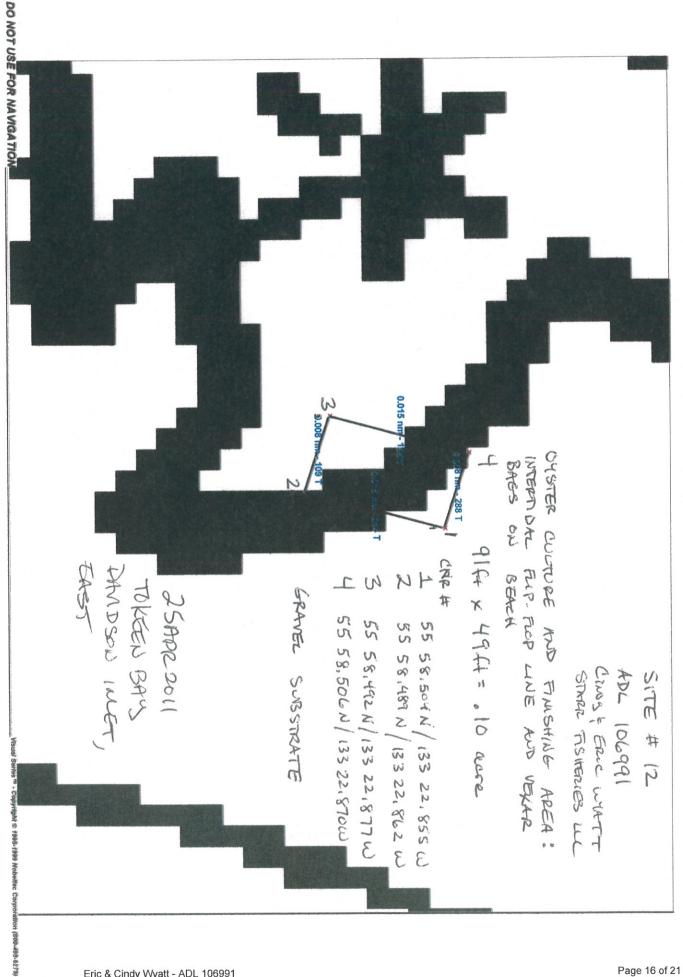
Parcel #14: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel #14 is proposed to be 73 ft. x 10 ft. totaling 0.02 acres.

Parcel #15: Oyster culture and finishing area utilizing intertidal flip-flop line and vexar bags. Parcel#15 is proposed to be 170 ft. x 10 ft. totaling 0.04 acres.

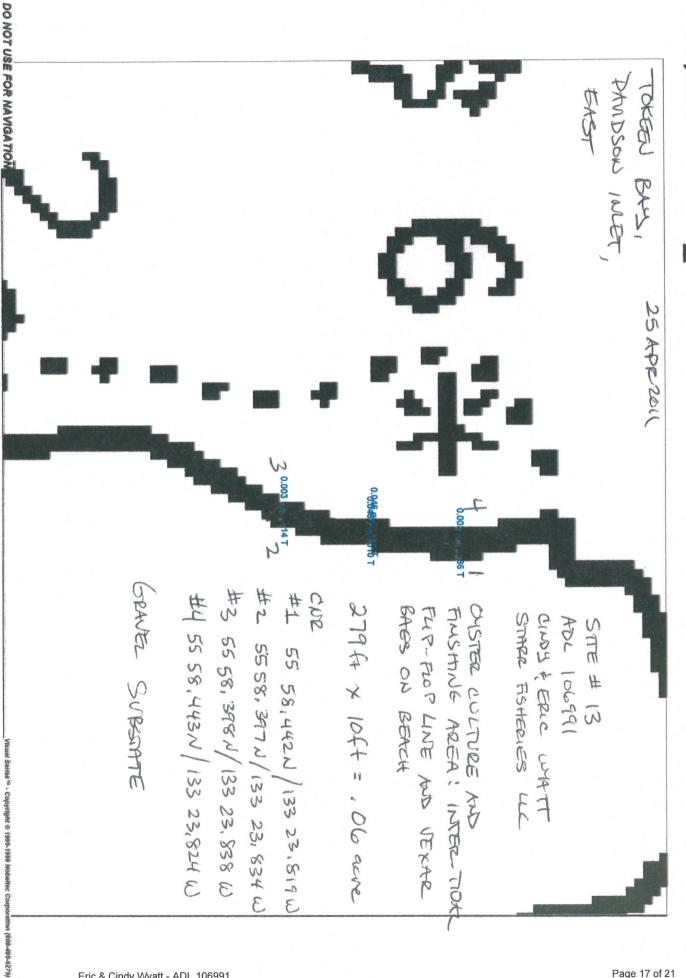
Parcel #16: Oyster culture utilizing suspended culture, rafts and tray culture and bag culture plus a processing facility. Parcel #16 is proposed to be 304 ft. x 91 ft. totaling 0.63 acres.

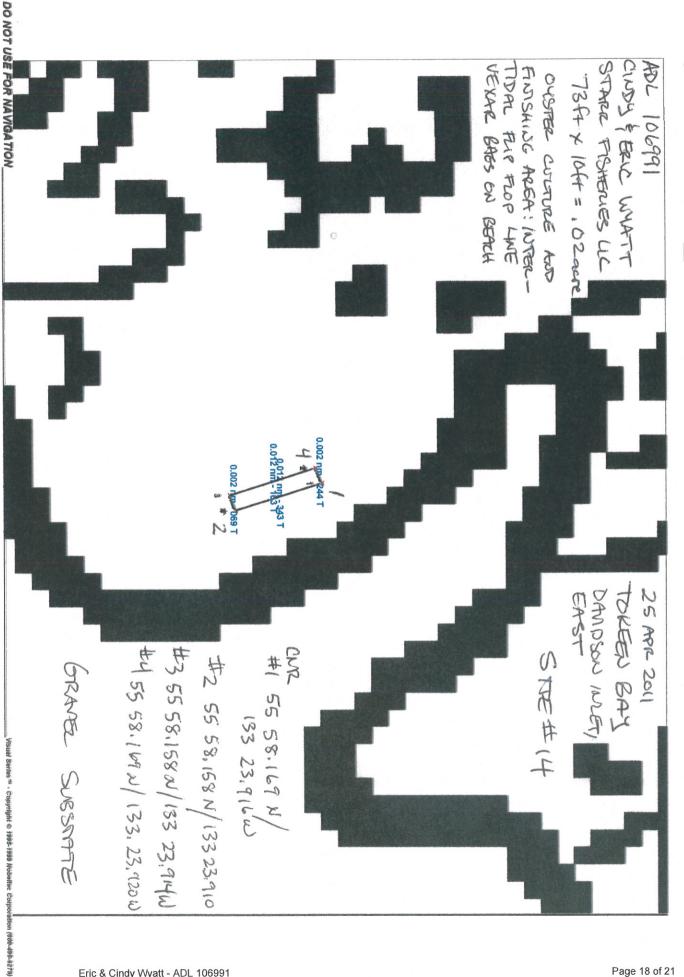
Parcel #17: Work float with processing facility measuring 16 ft. x 24 ft. sitting on a 90 ft. x 70 ft. log float. Parcel #17 is proposed to be 176 ft. x 103 ft. totaling 0.42 acres.

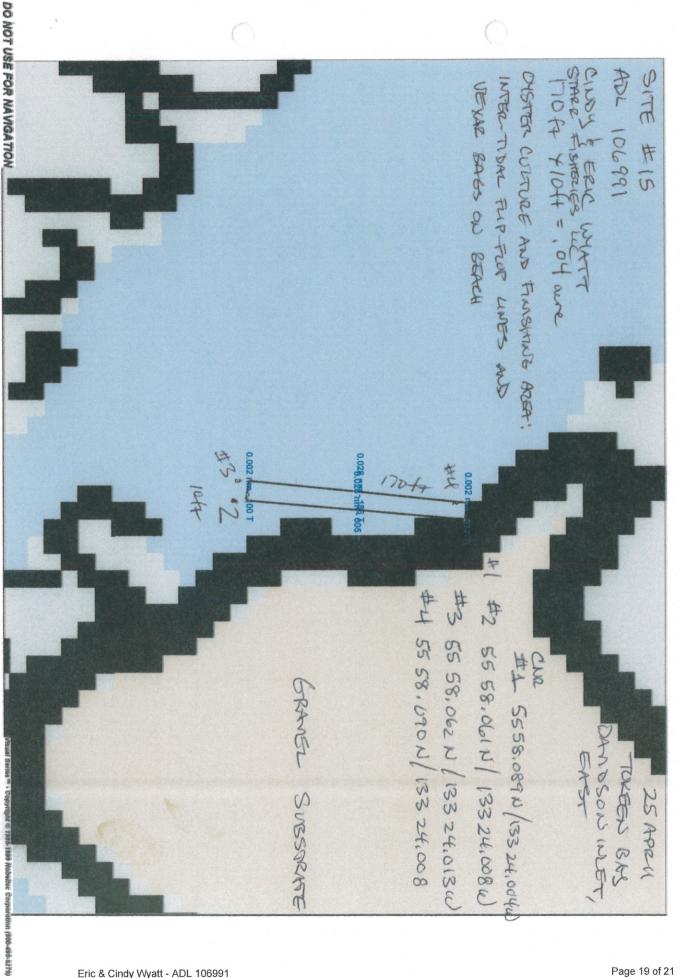
: 2,624 - 17403_1 : DAVIDSON INLET AND SEA OTTER SOUND



Page 16 of 21







Eric & Cindy Wyatt - ADL 106991 Preliminary Decision - 2011

